CALIFORNIA AIR RESOURCES BOARD

NOTICE OF PUBLIC MEETING TO CONSIDER PROPOSED COMMITMENTS BETWEEN ARB AND UNION PACIFIC RAILROAD AND BNSF RAILWAY TO FURTHER REDUCE DIESEL PARTICULATE MATTER EMISSIONS AT FOUR HIGH PRIORITY RAILYARDS

The Air Resources Board (ARB or Board) will conduct a public meeting at the time and place noted below to consider proposed commitments between ARB and Union Pacific Railroad (UP) and BNSF Railway (BNSF) (collectively referred to as the railroads) to further reduce diesel particulate matter (diesel PM) emissions at four high priority railyards.

DATE: June 24, 2010

TIME: 9:00 a.m.

PLACE: California Environmental Protection Agency

Air Resources Board Byron Sher Auditorium

1001 | Street

Sacramento, California 95814

This item may be considered at a two-day meeting of the Board, which will commence at 9:00 a.m., June 24, 2010, and may continue at 8:30 a.m., on June 25, 2010. This item may not be considered until June 25, 2010. Please consult the agenda for the meeting, which will be available at least 10 days before June 24, 2010, to determine the day on which this item will be considered.

Railyards are significant sources of emissions and pose public health risks to nearby residents, primarily due to the emissions of diesel PM. While existing ARB and U.S. Environmental Protection Agency regulations and agreements between ARB and the railroads will substantially reduce railyard diesel PM emissions at California's 18 major railyards, additional reductions are necessary. As a result, over the last several years, ARB staff has evaluated a number of measures to further reduce the emissions from locomotives, specifically, and railyards, in general, and has presented this information to the Board.

After considering the information and testimony presented at the September 2009 Board hearing, the Board directed staff to:

- Develop an approach for railroads to prepare and implement risk reduction plans for high-risk railyards;
- Use BNSF San Bernardino railyard as a template:
- Investigate potential enforcement provisions that would trigger ARB regulatory action;

- Coordinate with interested stakeholders; and
- Report back to the Board with recommendations.

Staff returned to the Board in February 2010 with specific recommendations that the railroads and ARB enter into commitments that would achieve emission reductions greater than what could be achieved by regulation, but that the commitments be backstopped by regulations if non-compliance were to occur. The Board approved staff's recommendations and directed staff to develop railyard-specific commitments between ARB and the railroads. In summary, the Board directed staff to:

- Develop railyard-specific commitments to further reduce railyard diesel PM emissions and risks from high priority railyards;
- Work with interested stakeholders to establish specific provisions for the railyard commitments;
- Implement the commitments through an exchange of letters between ARB and the railroads through a public consultation process; and
- Backstop the commitments with enforcement provisions that would require the adoption of regulations if the railroads failed to meet their commitments.

ARB staff has identified the San Bernardino and Hobart railyards operated by BNSF and the Commerce and ICTF/Dolores railyards operated by UP as high priority railyards. These four railyards were selected because they have the greatest emissions of diesel PM and associated health risks to neighboring residents.

Key provisions of the commitments for each high-priority railyard include:

- A declining cap on railyard diesel PM emissions from 2011-2020, irrespective of economic growth and related increases in the number of containers handled;
- An 85 percent reduction in emissions in 2020 compared to 2005 levels, due to the combined effect of existing measures and the new commitments;
- Emission reductions of 10-20 percent more than with existing measures alone by 2015, and 30-50 percent more by 2020;
- Annual preparation and dissemination of emission inventories;
- Routine preparation and dissemination of updated emission reduction plans and health risk assessments in 2010, 2012, 2014, 2016, and 2018;
- Evaluation in 2010-2012 of operational measures (e.g., installation of electric gantry cranes) to reduce railyard emissions and/or health risk;
- Establishment of two new PM air quality monitors -- one in the community near the BNSF San Bernardino railyard and one near the UP Commerce/BNSF Hobart railyards;
- Rigorous inspection and compliance verification;
- Clear and prompt trigger for ARB regulatory action if railroads do not meet the commitments; and
- A specified process for ongoing public participation for the duration of the commitments.

Upon Board approval of the proposed commitments, the ARB Executive Officer will send an individual letter for each identified high-priority railyard to the appropriate railroad, together with the railyard-specific commitments. The railroad, in turn, will send a return letter if it agrees to the commitments. Upon acceptance by the Executive Officer, the commitments will be effective.

ARB staff will present a written report at the meeting. Copies of the report may be obtained from ARB's Public Information Office, 1001 I Street, First Floor, Environmental Services Center, Sacramento, California, 95814, (916) 322-2990. The report may also be obtained from ARB's website at:

http://www.arb.ca.gov/railyard/commitments/commitments.htm

Interested members of the public may present comments orally or in writing at the meeting or may submit written comments by postal mail or by electronic submittal before the meeting. To be considered by the Board, written comments not physically submitted at the meeting must be received no later than 12:00 noon, June 23, 2010, and addressed to the following:

Postal mail: Clerk of the Board, Air Resources Board

1001 I Street, Sacramento, California 95814

Electronic submittal: http://www.arb.ca.gov/lispub/comm/bclist.php

Please note that under the California Public Records Act (Government Code section 6250 et seq.), your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request. Additionally, this information may become available via Google, Yahoo, and any other search engines.

The Board requests, but does not require 20 copies of any written submission. Also, ARB requests that written and e-mail statements be filed at least 10 days prior to the meeting so that ARB staff and Board members have time to fully consider each comment. Further inquiries regarding this matter should be directed to:

Mr. Harold Holmes, Manager, Engineering Evaluation Section, at (916) 324-8129, or hholmes@arb.ca.gov.

Special accommodation or language needs can be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format (i.e., Braille, large print) or another language; or
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible,

but no later than 10 business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Comodidad especial o necesidad de otro idioma puede ser proveído para alguna de las siguientes:

- · Un intérprete que esté disponible en la audiencia
- Documentos disponibles en un formato alterno (por decir, sistema Braille, o en impresión grande) u otro idioma.
- Una acomodación razonable relacionados con una incapacidad.

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322-5594 o envíe un fax a (916) 322-3928 lo más pronto posible, pero no menos de 10 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

CALIFORNIA AIR RESOURCES BOARD

Date: 6/15/10

James N. Goldstene Executive Officer

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website at www.arb.ca.gov.